

MAGEE RANCH HOMEOWNERS ASSOCIATION

Governing Document Violation and Fining Policy and Schedule of Monetary Penalties

This Governing Document Violation and Fine Policy and Schedule of Monetary Penalties, which is being considered for adoption by the Board of Directors, constitutes the Magee Ranch Homeowners Association proposed policy for imposing sanctions for violations of the Association's governing documents, rules, regulations and policies, pursuant to the Association's Restated Declaration of Covenants, Conditions and Restrictions and Bylaws and California Civil Code Section 1363.

1.0 Member Responsibility: Under the Association's governing documents and California law, the owners of lots are members of the Association and are responsible for complying with the governing documents, which include the association's rules, regulations and policies [including architectural rules and procedures].

2.0 Responsibility for Tenants: Owners are also responsible for ensuring that their tenants, if any, comply with the governing documents. In the case of violations by tenants who are not members of the Association, the Association will notify the owner of the lot. Any monetary fines for non-compliance will be imposed against the owner/member; any non-monetary penalties, including suspension of the right to use the pool or other Association amenities will be imposed against the lot owner, family members, guests, tenants and their guests.

3.0 Notice and Hearing: At least fifteen (15) days before imposing a monetary fine or suspending any rights or privileges of membership, the Board of Directors will notify the member in writing:

- a. Identifying the alleged violation.
- b. Describing the intended or possible sanction(s) if the corrective action is not taken within the prescribed time.
- c. Giving the member the opportunity for a hearing by the Board, either orally or in writing, at least ten (10) days before any sanction is effective.

This notice will be sent by first-class or certified mail to the last address for the member shown on the Association's records.

4.0 Imposing Sanctions: the Board may impose one or more sanctions when it has determined that the member or his or her tenants, guests or invitees have committed a violation of a particular governing document provision. Sanctions may be imposed

- a. If the member involved does not appear at the hearing
- b. If the member does not appear at a hearing when scheduled and does not submit a written explanation to the Board at or before the time scheduled for the hearing.

c. after conclusion of a hearing.

5.0 Sanctions: Sanctions imposed by the Board may include, but are not limited to, imposition of a monetary penalty in accordance with the Schedule of Fines adopted by the Board, and/or suspension of the member's right to vote. In the case of continuing violations such as architectural violations, the Board may impose a monetary penalty and/or suspend rights once every thirty days until the violation is remedied, provided the notice and hearing requirements are complied with each month. Repeated or habitual violations within a 30-day period, such as parking violations, shall not constitute a "continual violation" but shall constitute a separate violation for each instance, and a fine may be imposed for each and every separate violation.

In the case of delinquent assessments, the Board may suspend voting and other membership rights until the delinquent assessment is paid in full.

6.0 Payment of Fines and Costs: Monetary penalties (fines) are due immediately upon imposition by the board. The Association shall use all remedies permitted by law and by the governing documents to enforce collection of fines and costs.

7.0 Enforcement Costs: After the imposition of a fine or the suspension of membership rights, the Association will also charge the member's account for legal fees and other costs incurred by the Association to obtain the member's compliance concerning the violation at issue.

8.0 Schedule of Monetary Penalties fines: The Board of Directors has adopted the following Schedule of Monetary Penalties [also called Schedule of Fines], which will be in effect until changed by action of the Board and subsequent distribution to the Association's members:

First Violation.. \$200.00

Second and Subsequent instances of the same violation.. \$300.00

9.0 Penalties in Addition to Corrective Measures: The imposition of monetary penalties and suspension of membership rights are in addition to the requirement that members comply with the governing documents as required by the Board of Directors. Compliance may include, but is not limited to, correcting, repairing and replacing non-complying conditions, all at the member's cost.

10.0 Other Remedies Including Foreclosure: the Association reserves the right to avail itself of any other remedy permitted by law and by the governing documents to enforce the provisions of the governing documents, rules, regulations and policies of the Association including, but not limited to, imposition, recordation and foreclosure of liens to recover all sums owed; bringing an action in Small Claims, Municipal, or Superior Court, or requesting that the matter be submitted to some form of alternative Dispute Resolution (ADR). Such remedies may be taken in addition to or in lieu of any action already taken, and commencement of one remedy shall not prevent the Association from electing at a later date to pursue another remedy. To the greatest extent permitted by law, all expenses [including the legal fees and costs of mediation, arbitration and litigation] shall be borne by the owner who is deemed or whose property is deemed to be in violation of the Governing Documents.

